

TESTIMONY OF
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U.S. DEPARTMENT OF COMMERCE
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INTRODUCTION

Good afternoon, Ms. Chairwoman, and members of the Subcommittee. My name is Terry Garcia, and I am the Assistant Secretary for Oceans and Atmosphere for the National Oceanic and Atmospheric Administration (NOAA). I thank you for this opportunity to testify today on the reauthorization of the Coastal Zone Management Act, or CZMA. The CZMA is a landmark resources management law that has benefitted the Nation, the States and the citizens of our country since its enactment in 1972. My testimony will focus on the President's Lands Legacy Initiative, the benefit of the CZMA to the nation, and the Administration's proposal to reauthorize the CZMA. The Administration's proposal has previously been submitted to the Subcommittee.

The President's Land Legacy Initiative

The President recently announced a \$1 billion Lands Legacy Initiative to expand federal efforts to save America's natural treasures. The Lands Legacy Initiative would provide

\$105 million to NOAA to protect America's valuable ocean and coastal resources and to strengthen state and local efforts to address the problems caused by sprawl.

America's ocean and coastal areas are under siege by a whole suite of activities, including coastal population growth, development, maritime commerce, commercial and recreational fishing, and tourism. The economic and environmental well-being we derive from the essential natural resources and beauty provided by these areas is being undermined by the economic and aesthetic uses that make these diverse areas valuable to the Nation. Escalating losses and degradation of coastal wetlands, fisheries habitat, and coral reef ecosystems must be reversed.

The Lands Legacy Initiative will target funds to strengthen and expand protection of the nation's most significant ocean and coastal areas; restore critical coastal habitat and vibrant coral reef ecosystems; and provide states and local governments with the tools and resources for environmentally-sound smart growth strategies. This includes \$32 million for Partnerships to Promote Community Based Smart Growth; \$15 million for the enhancement of our National Marine Sanctuaries; \$14.7 million to enhance the protection of critical estuaries through the National Estuarine Research Reserve System; \$10 million to determine ways to use dredged material in environmentally-sound beneficial ways;

\$10 million to help restore fragile coral reefs injured by human impacts; and \$22.7 million to increase the number and geographical scope of community-based fish habitat restoration efforts.

The Lands Legacy Initiative provides us with a unique opportunity to ensure that our coastal and ocean areas are used, conserved and protected for the benefit of present and future generations.

The Benefit of the CZMA to the Nation.

The CZMA's goals and objectives, as provided for in the Act's findings and policy statements, describe the importance to the nation of the coastal zone for its variety of natural, commercial, recreational, ecological, industrial and aesthetic resources; and the need to preserve, protect, develop and restore or enhance these resources for this and succeeding generations. The CZMA defines and authorizes the Coastal Zone Management Program and the National Estuarine Research Reserve System. It emphasizes a partnership with the states. It is a critical national authority that works with all sectors of government to comprehensively manage and address the many and increasing pressures on the use of our coastal areas and our coastal and ocean environments.

The coastal management program is implemented by state coastal management programs and National Estuarine Research Reserves, in partnership with the federal government. Participation is voluntary and eligible states may develop coastal management programs or reserves pursuant to federal requirements. As part of federal approval, state coastal management programs and reserves receive annual operating funds through cooperative agreements with NOAA. These funds are used by state agencies and local governments for a variety of management, research, permitting, enforcement, education and project specific activities. In addition, federal approval of a state coastal management program activates the CZMA federal consistency requirement. Federal consistency requires that certain actions, in or outside the coastal zone, that affect any coastal use or resource must be consistent with the enforceable policies of state coastal management programs. The federal consistency requirement is a powerful tool that states use to address effects on coastal uses or resources that are the result of federal actions.

For over twenty-five years the CZMA has provided national goals, priorities and guidance for how states and the Federal Government manage the nation's coastal and ocean resources. States have made great strides implementing federally approved management programs which reduce threats to coastal wetlands,

improve coastal water quality, expand public access to the coast, revitalize urban waterfronts and educate the public about the need to manage and protect coastal and ocean resources.

While the goals of the CZMA are clear, much remains to be done. Implementation of the CZMA's goals by state coastal management programs, estuarine research reserves, and NOAA requires ongoing vigilance, effort and resources to meet increasing pressures on coastal and ocean resources. Stresses on coastal and ocean resources are increasing dramatically, and so are the resulting management challenges. For example, from 1996-2015, the coastal population is projected to increase from 141 million to 161 million with the accompanying increases in solid waste production, urban runoff, losses of green space and wildlife habitat, water quality declines, and other stresses on the coastal and marine environment. These challenges include continued rapid population growth in coastal areas at much higher rates than inland, loss and degradation of habitats and biodiversity, water quality problems, continued user conflicts, and increased separation of coastal residents from natural resources. This is why the reauthorization of the CZMA in 1999 is so important to NOAA, the coastal states and to the nation.

The CZMA has received the near-unanimous non-partisan

support among Congress over the years, and the wide-spread support of state and local governments, interest groups and the public. The benefits of the CZMA and the support it fosters can be seen in the effectiveness of the national system of state coastal management programs, the growing network and use of estuarine research reserves, the vitality of our coastal economies, and the protection and sustainability of important coastal resources and habitats.

Some of the accomplishments include the following: The national system of coastal management programs is nearly complete with 95,142 miles, or 99.7 percent, of the 95,439 miles of the nation's shoreline under management by 32 federally-approved state, territorial, and commonwealth coastal programs. Twenty nine of these states have also received conditional approval of their coastal nonpoint pollution control programs. Demonstrating the growing state interest in this federal program, three new state coastal management programs, those of Ohio, Georgia, and Texas, have been approved by NOAA within the past three years. The nation's 33rd coastal management program, Minnesota's, only awaits final action by the new Governor, before approval by NOAA. In addition, we anticipate receiving Indiana's draft program for review later this year. Of the nation's 35 coastal states and territories eligible for participation under the CZMA, only Illinois is not currently participating.

The benefit of the CZMA is also seen in the growth and importance of the National Estuarine Research Reserve System. Reserves are protected land and water areas in 20 states and territories that are part of a national system administered by NOAA. The states operate the individual reserves, participate in developing goals for the System, and implement System-wide activities. Reserves protect representative examples of estuarine habitat and conduct a suite of activities that improve the stewardship of estuaries, including: long-term research, system-wide water quality monitoring, technical training for coastal decision makers, public education and interpretation programs, and demonstration projects. Reserves are important for habitat protection since they manage discrete protected lands and waters and help forge community-based solutions to estuarine environmental problems, such as voluntary changes to farming practices, development of new septic tank standards, or restoration of wetlands.

There are 23 federally designated National Estuarine Research Reserves in twenty states and territories, including the Jacques Cousteau reserve designated in New Jersey just last year and the Kachemak Bay (Alaska) reserve designated in February of this year. Four additional reserves are in development in Grand Bay (Mississippi), Guanama-Tolomato-Matanzas (GTM)(Florida), San Francisco Bay (California), and in the St. Lawrence River in

upstate New York. The Grand Bay and GTM reserves are on schedule to be designated by NOAA in the Summer of 1999. Over 900,000 acres of estuarine habitat are now protected by the National Estuarine Research Reserve System. Habitat protected by the System will increase this year to over 1,000,000 acres with additional acquisitions by existing reserves, and with the designation of the Mississippi and Florida reserves. Visitors to reserves now number over 1 million per year.

The reserve system has initiated a unique system-wide monitoring program for water quality and weather parameters that can link short-term events to habitat changes. Reserves also are helping local decision makers and professionals in coastal areas apply new and innovative methods and technologies. In response to the Administration's Clean Water Action Plan, Reserves are joining their efforts with EPA's National Estuary Programs (NEPs) to share more broadly lessons learned with coastal programs and communities. In addition, the coastal management programs are working to further enhance their links with NEPs and to work together in providing support to local coastal communities to address impacts and pressures on estuary resources.

The Biennial Report that NOAA sends to Congress documents the benefits of these programs. The report, as required by the Act, is a comprehensive account of the accomplishments of NOAA,

the coastal states and reserves, in advancing the goals of the CZMA during the fiscal years 1996 and 1997. Before I move on to the Administration's reauthorization proposal, let me highlight for you some specific CZMA and Reserve success stories.

In San Francisco Bay, the San Francisco Bay Conservation and Development Commission, a federally approved CZMA program, has reversed wetland loss from 2,300 acres per year to only 4 acres per year. This effort has been aided by the efforts of the California Department of Fish and Game, and other Federal agencies including the Department of Interior's Fish and Wildlife Service, the Environmental Protection Agency, and the Army Corps of Engineer.

Under section 306A of the CZMA, the Coastal Resource Improvement Program, states have used federal and state funds to provide substantial public access to the coast through coastal parks, fishing piers, boat launches, dune walkovers, foot and bike trails, beach clean-ups, parking lots and access roads, land acquisition, historic structure restoration, urban waterfront revitalization and other projects. Rough estimates show that states have used over \$50 million in federal funds, equally matched with state and local funds, since 1985 for over 1,000 access and resource protection projects.

State coastal management programs have provided support to numerous coastal communities for environmentally-sound waterfront revitalization. Virginia has used limited CZMA funds to spur development of an eco-industrial park in Cape Charles, Virginia. The City of Wilmington, North Carolina used CZMA funds to develop a riverfront plan that served as a catalyst for \$4 million in public investment and \$100 million in private investment along the Cape Fear River. This project restored dilapidated warehouses and piers, created vessel and public access to the City's waterfront, and turned the waterfront into a vibrant economic and social center for the City.

These are just a few of the examples of the benefits of the CZMA program. The Biennial Report provides additional examples.

The Administration's 1999 CZMA Reauthorization Proposal.

Turning now to the 1999 reauthorization of the CZMA, NOAA fully supports the CZMA and is committed to working with Congress, the coastal states, and other interests, to continue the Act's national programs. The Congress and the Administration have an opportunity to position the CZMA to meet the requirements

of the next century, while maintaining the aspects of the CZMA that have served the country well for over a quarter of a century. These include the flexibility of the state-federal partnership, using state programs as the "on the ground" delivery mechanism, and consideration of the national interest in coastal uses and resources.

The Administration's proposal is built around the following four concepts to address these issues and challenges. These concepts are then discussed in more detail below.

- ***strengthen the CZMA's habitat focus;***
- ***support coastal communities;***
- ***support national coastal management objectives; and***
- ***strengthen the National Estuarine Research Reserves.***

Strengthen the CZMA's Habitat Focus. The Administration's proposal addresses emerging habitat issues, such as protection of coral reefs, protection of essential fish habitat, and habitat restoration. This is accomplished by the addition of these issues in the Act's findings and declaration's of policy and, primarily, by focusing the implementation phase of the coastal nonpoint pollution control program within the CZMA on NOAA's traditional habitat protection and restoration mission, and specifying state coastal management program agencies'

responsibilities in the management of polluted runoff.

The Administration's proposal would also make the following changes to the Act:

- CZMA section 306(d)(16) is proposed to be amended to clarify that state Coastal Management Program (CMP) agencies should focus their polluted runoff efforts on habitat issues and to specify the responsibilities of state CMPs for implementing their coastal nonpoint pollution control programs.
- Addressing polluted runoff issues in the CZMA would not impose any new requirements on states or citizens. The Administration's proposal would provide an important mechanism to address polluted runoff, a major contributor to the decline of coastal habitat and resources and effects the economic viability of coastal communities. The increasing numbers of algal blooms and closed shellfish and fishing areas is linked to polluted runoff from our streets, lawns and farms. This polluted runoff is linked to the degradation of coastal habitat and coral reefs, the "dead zone" in the Gulf of Mexico, and the outbreaks of *Pfiesteria piscidia* in the Chesapeake Bay. The CZMA offers a unique opportunity to protect and restore coastal waters and habitat by bringing multiple programs and people together to

address polluted runoff problems.

- CZMA section 306(c) is proposed to be amended to provide for funding to implement the coastal nonpoint programs. It is important to note that, the Administration's proposal would not fund the nonpoint program at the expense of base program funds. Essentially, the Administration's funding proposal would continue to build on the funding and progress already made by the states to control polluted runoff through the \$8 million appropriated in FY 1999 for polluted runoff activities. In addition, the efforts of coastal states to control polluted runoff are at a critical juncture. Coastal states have invested substantial effort in developing their programs and need increased financial support to successfully implement their plans for improving management of polluted runoff. Otherwise, the state coastal nonpoint programs will be in limbo, with little guidance as to how coastal management programs should proceed in addressing polluted runoff.
- CZMA section 309 is proposed to be amended to include habitat as an eligible enhancement area. This would include development of, enhancements to, and satisfying the conditions of, a state's coastal nonpoint pollution control program.

Support Coastal Communities. The Administration's proposal provides support to local and tribal coastal communities to develop environmentally protective solutions to the impacts and pressures on coastal uses and resources by encouraging revitalization of previously developed areas. To accomplish this, the Administration proposes the following changes to the Act:

- The findings of the CZMA are proposed to be amended to provide for the support of coastal communities.
 - CZMA section 309 would include coastal communities as an eligible enhancement area for state efforts.
 - CZMA section 310 would be used to provide grants to local, tribal and regional governments, through state coastal management programs, to support, plan and build capacity for coastal communities' to address environmentally protective smart growth and community revitalization efforts, and to provide much needed technical assistance in these areas.
- The Administration's proposal strengthens coordination between states and American Indian tribes. Including tribes will help address emerging tribal and state coastal management issues and implement Administration policy

regarding consultation with tribes, but will not affect the current state-federal partnership in the Act. There are many community-type projects that could be accomplished by tribes.

Supporting National Coastal Management Objectives. The Administration's proposal recognizes that coastal management decision-making can be improved by strengthening the ability of coastal states and NOAA to make sound coastal management decisions and plans. The Administration proposes to amend CZMA section 310 to clarify the use of section 310 funds and provide the authorization and funds needed to adequately address the demand for NOAA technical assistance, management-oriented research, innovative technology development, mediation services and coordinated NOAA capabilities. Of the \$28 million in the Administration's proposal and the President's FY 2000 budget request for section 310, the Administration expects that 15 to 20 percent of this amount would be used for these technical assistance efforts, with the remainder available for the coastal community grants.

Strengthening National Estuarine Research Reserves. The Administration's proposal enhances the link between the estuarine reserves and coastal management programs by making technical

amendments that would strengthen the capabilities of estuarine research reserves to address coastal management issues. These technical amendments would also forge a stronger link between the reserve program and state coastal management programs. Reserves are also eligible under the section 310 coastal communities initiative.

Other Technical Amendments. The Administration's proposal also makes other technical, but important, amendments to the CZMA to improve the effectiveness, efficiency and flexibility of the CZMA's state-federal partnership. These are detailed in the Administration's proposal.

Conclusion

In closing, the 1999 reauthorization of the CZMA provides a unique opportunity to provide a vision and a framework for coastal and ocean resources management and stewardship into the 21st century. The effectiveness of the CZMA and the broad-based support for the Act can enable the Administration and the Congress to accomplish the Act's objectives. A reauthorized and enhanced Act, as described in the Administration's proposal, will set in motion the means by which we can ensure that the Nation's coastal and ocean uses and resources are used, conserved and protected for the benefit of present and future generations. The

Administration looks forward to working with you on this task.
That concludes my remarks and I would be glad to answer any
questions.